

# Conference Dialogue With LaRouche

*This transcript has been edited to group questions by topic, and to abridge the moderators' remarks and descriptions of some longer written presentations that were submitted to Mr. LaRouche for his comment. Future issues of EIR will have more coverage of these contributions. Jessica Tremblay and Jonathan Tennenbaum were the moderators in Berlin; Debra Freeman was the moderator in Washington.*

**Tremblay:** Thanks a lot, Lyn. It was very, very exciting, and also gives some incredible perspectives for the work that we're doing here in Europe on this whole question of the Eurasian development.

I just want to explain shortly the way the proceedings will happen. We will be going back and forth between Washington and here in Berlin. We'll take a couple questions here from Berlin, then go back to Washington, and then come back here. . . .

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## 1. United States

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**Tennenbaum:** We have a question here from Dr. Philipp Jenninger, who was the president of the German parliament, Bundestagspräsident, between 1984 and 1988. He was for over 30 years in the German parliament.

He asks, "Will a deepening cooperation between Europe, Russia, China, and India change the relationship between Europe and the U.S.A.? What consequences will this have?"

**LaRouche:** The problem here is simple; it's an historic problem. What is the United States, and what is Europe? Why did people leave Europe and go to create nations in North America and South America—Europeans? Because what we have in the United States is the European culture. What's the difference? The difference is, is Europe has the legacy, an unresolved legacy of an oligarchical tradition. We [in the United States] have no nobility. We have prostitutes—Hollywood stars, for example—but we don't have a nobility. But in Germany, in France, in Italy, look at the problem if you, as an American, come into these countries, you're confronted with something that shocks you; it disgusts you. The flatulence of a useless, parasitical bureaucracy, of a so-called aristocracy which is of no use. It can't even entertain itself any more.

So, the problem here, is that the United States' function always was to be the European alternative for Europe. Because there are no ideas, there are no categories of ideas or

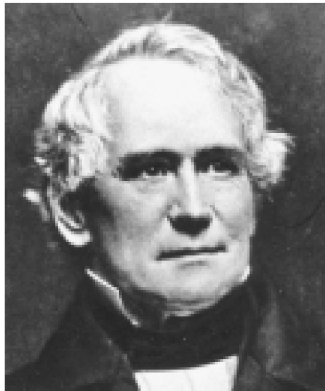
culture in the United States which did not essentially come from Europe. Now, it's coming from other parts of the world, from Asia more particularly. But, traditionally, the United States was a product of European culture, of people who left Europe to get away from the damn oligarchs! As the United States developed, for example in the late 18th Century, people looked at the United States as a beacon of hope for Europeans. And you had the oligarchs of Europe, who were fighting like the devil, to prevent these ideas from the United States from infecting the population, because that would mean that the oligarchy would have to go out and do some work for a change. So, this is the problem. Therefore, what has happened is, powerful influences from Europe have, from the beginning—especially the Anglo-Dutch Liberals—have concentrated on trying to corrupt and destroy the United States.

Now, this went on in one way for a while, and then after Lincoln's victory against the British agents called the Confederates, the United States became a power. And you have in the case of Germany, the case of Bismarck. Now, Bismarck was most strongly influenced directly by ideas *from* the United States. Most specifically, from Henry C. Carey. And if anyone knows the full work of Henry C. Carey, and knows what his relationship was to Germany, you will know that Bismarck, who was also a follower of Friedrich Schiller in his outlook, was not really an oligarch; he was essentially a farmer, but he was well educated, and he had a sense of trying to make something of Germany. He was a German patriot, working within the framework of an oligarchical-ridden society, and if he had not been fired by the Kaiser, there wouldn't have been any World War I. Because it was his being fired in 1890, that opened the door for what became World War I. You had a stupid Tsar, Nicholas, you had a stupid German Kaiser, and an even more stupid and cretinous Austrian Kaiser, and completely corrupt French, particularly after 1898.

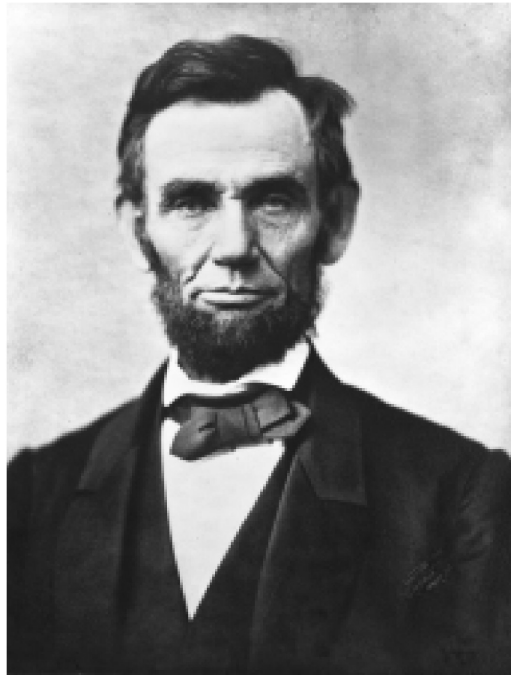
### Corruption by Anglo-Dutch Liberalism

So, you have these ideas, which are reflected in Europe from the United States, for example, German industry. The revolution in German industry of the major industries of the late 19th Century, all came from the United States, directly. The electrical industry was an import from the United States. The steel industry; the changes were from the United States. So, the effort has always been for the United States to provide, to return to Europe, in the sense of what the intention had been of the Europeans who created the United States.

Therefore, the enemies have recognized, that only by corrupting the United States, which was too powerful after Lincoln's victory to be destroyed by military invasion, the only way they could destroy the United States was by corruption. And they've done a fine job of it. But the corruption lies—and the Europeans don't like to see it—the corruption is the Anglo-Dutch Liberalism! There are other forms, but that's the worst; the other forms are more obvious. When people say, "Well, the British are better than the Americans."



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*After Abraham Lincoln's victory over the British Confederacy, the United States became a world power. Germany's leader Otto von Bismarck (bottom left) adopted the policies of Lincoln's economic advisor Henry C. Carey (top left). Bismarck "was a German patriot, working within the framework of an oligarchic-ridden society, and if he had not been fired by the Kaiser, there wouldn't have been World War I."*

You guys are stupid; you don't know what you're dealing with.

That's the problem, and therefore, the *interests* of the United States, particularly now, what's our interest? I'm pretty well integrated, despite all my quarrels with various people, I'm pretty much integrated, and have been historically, since the late 1970s with the leading institutions of the United States. I've been under attack, because I was considered potent and dangerous. But nonetheless, on the other side, I've had a good relationship with various institutions of the United States—the military, the intelligence, and so forth, and so on and so on, the political classes. And we are not Bushites; we are *not* what you see in the Bush government. We're *not* what you see. I'm talking about the people who take care of the United States, not the poor guy who's out there just trying to make a living, just trying to survive. But those of us who are "men of affairs," public affairs, we care. And this government that we have, *is one we don't want*.

The problem is, that some of my friends, who agree with me, in these layers, don't have the guts to do what I do; which is how I get into trouble. But if I didn't get into trouble, we wouldn't have survived, I mean, I *saved* the United States in

2005, after that problem with the election in November 2004. I was brought in on the situation in a big way—I moved in. And we defended Social Security and some other things, and during 2005, I was running a lot of things in the United States. And I still do. And then, they moved to get me out of the way. It didn't work, but they tried hard, and they're running a heavy operation against me, from London, from France, and from the United States. We know who they are; we know what they're doing. We don't know the full scope of it, but we'll find out pretty soon, and we're going to clean the mess up. We're going to get them.

So, that's our role. Our job is to get rid of this succubus we have on our government. Get back in control in dynamic of the U.S. governmental situation, as I was in a position of some influence last year—I still have influence this year—get that moving again. In the time of a crisis, the best chance the world has, is if the United States comes over to the side that I've tried to represent here, for example, today.

**Freeman:** Before I read the first question from here in Washington, I just wanted to mention, that among the international audiences that are gathered to

listen and participate in this webcast, we have a number of audiences gathered at various universities in Ibero-America, that I would just like to recognize. In Honduras, at the National Pedagogical University in San Pedro Sula. In Bolivia, there are two gatherings—one at San Simon University in Cochabamba, and at Aquino University in the capital, La Paz. In Peru, there is a gathering at the Technological University of Peru in Lima, this is actually part of their Engineering School's anniversary celebrations, and we'd like to welcome them. Also, in Lima, there is a gathering at the Inca Garcilaso de la Vega University, and I believe that actually for both of these schools, this is the first time they've participated. I know that there are gatherings in Argentina and Mexico. I can tell by the questions that are coming in, and also a gathering in Bogota, Colombia, so we'd like to welcome all of you, and hopefully, we will be able to get to your questions.

We have a number of questions, both from Washington, and also from labor leaders and elected officials from across the United States. We also do have a certain number of questions that have come in from those who are participating internationally, but I will start with the questions from the D.C. institutions.



## Globalization Has Failed

The first question comes from an economic policy task-force at one of the Washington, D.C. think-tanks, actually at Brookings.

It begins by saying, “Mr. LaRouche, I’d like first to offer greetings to those on the other side of the Atlantic, from what might be considered friendlier and certainly more civilized quarters here in Washington, D.C.” They are definitely more civilized! “Over the course of the next two weeks, a series of critical economic conferences will be occurring both here in the United States and abroad. Our expectation is that those gatherings will either publicly or privately acknowledge the danger of systemic perturbations resulting in seismic changes in global finance and economy. It is also our expectation that U.S. delegates to these gatherings will insist that the remedy lies in the intensification of the policies that brought us to this point in the first place.

“At the same time, there is a growing recognition in the United States that globalization, simply to use a catch-phrase, has not only failed to serve the benefit of the developing sector and of emerging economies, but that it has not worked for us, either. As such, there is increasingly an unwillingness on the part of many to impose measures that this failed policy would otherwise mandate. I wanted to mention that I see Robert Rubin’s resignation from the board of directors of Ford Motor Company, as well as the more recent resignation of Ford’s CEO, Bill Ford, in this light. But obviously, the mere refusal to participate in a destructive policy doesn’t stop that policy, and unfortunately, there are plenty of people across the United States, who are more than willing to carry out those policies.

“So, for those of us who are part of the Washington policy framework, but who are not in government, the question is, how do we best shape, and most efficiently shape our activity to address this situation, especially in light of your recent paper?”

## A Malicious Evil

**LaRouche:** Well, I’m trying to do it, exactly. What we have to do is, we have to think in terms of a world system. We have two problems, first of all. We have to recognize in the first instance, that what is happening to us is not natural. It is not spontaneous. It is not democratic, as some people try to say. It is malicious evil. It was created with the intention of destroying us. Now, Ben Bernanke has said so. Now, Ben Bernanke is a pretty stupid guy, at least on everything he’s said. He’s either stupid, or he’s acting very convincingly, in a very convincing imitation. But, this represents him. That is, he’s saying, “Build an empire!” He’s saying, “Destroy the United States!” He’s the chairman of the Federal Reserve System, and he’s saying, in effect, “Destroy the United States!” They’re part of our enemy! The people who want to destroy the United States, who want to build an empire. The people who want to globalize are the enemy.

If you have a globalized society, you have stupid people. If

you globalize, you destroy the function of culture, of national language culture, in maintaining the intellectual development and the emotional development of the people. So, therefore, you need national cultures, not as ego trips, but national cultures, so you have a dynamic system, in which the entire population can be uplifted through a social process of dynamic character.

And the best example is music, Classical music, and Classical poetry, which are forms of *irony* through which the literal meaning of the language no longer imprisons the person, because irony is able to break through in the form of discovery of the ideas, which are merely hinted, and the hint becomes the reality, and becomes the new power, becomes the beauty. To take people, *uplift them* out of their limited conditions.

The problem is, we have to understand we have an enemy, and we have to understand who the enemy is. It’s not just some sneak thief coming around: It’s a peer review committee in certain parts of industries, which have destroyed the industry. It’s the policymakers. It’s often the lawyers. Maybe we should get rid of the lawyers, maybe we’d have a better chance in the United States. But we’re corrupted. And what you have, we’re fragmented, so the people are becoming individualized. They’re trying to get their pleasure at the expense of somebody else. They’re trying to get ahead of somebody else. It’s an *Ellenbogengesellschaft* [“elbow society,” the Hobbesian opposite to the “benefit of the other”].

And that’s the problem. When we are in crisis, when our people realize that they’re are a bunch of fools, and that *what they’re doing doesn’t work*, then maybe they will come to their senses. My view is, our job is, don’t worry about the fact that people are not responding. Yes, it’s an important factor. But what you have to do is realize reality. Either we’re going to change, or we’re not going to survive.

It’s often been the case, that a sudden shock, which demonstrates to more and more people that the system doesn’t work, is the problem.

## Orient Toward the Lower 80% of the Population

The specific problem which is the greatest in the United States today, is the orientation you see in the Democratic Party. Take the number of Democrats, who are oriented to the DLC [Democratic Leadership Council]—that’s a disease, that’s not a relationship. Because that’s an orientation toward the upper 3% of family-income brackets. And a wealth of disregard of the lower 80% of family-income brackets.

The future of the United States lies, in getting the politicians to stop this crap and go back to start looking at the conditions of life of the great majority, which is the lower 80% of the family-income brackets. We have to do something for the people. The political leader must do something for the people. The 3% can get by quite nicely, they don’t need any help. The upper 20% don’t need much help. The lower 80% needs a lot of help. And the lower 80% is the number of voters,



FEMA photo/Win Henderson

*New Orleans, La., Aug. 31, 2005, in the wake of Hurricane Katrina. "The specific problem which is the greatest in the United States today, is the orientation you see in the Democratic Party, who are oriented to the DLC—an orientation toward the upper 3% of family income brackets, and a disregard of the lower 80%."*

it's 80% of the voters, it's 80% of the constituency.

The problem is, because *we*—not me, but others, who are in a position of leadership and influence, because *we*, instead of going out and appealing to the people to uplift themselves, to join us in great projects which will uplift the conditions of life, *we* are going to the 3%, and kissing the butt of the 3%—and we call that democracy. I don't know how many people can kiss that butt at the same time, but that's all right.

That's the problem, and we have to recognize, that's the two problems. First of all, we are corrupt. The Baby Boomers are corrupt, especially—the upper 20%, because they kiss the butt of the upper 3%, and they consider that politics. Because they count on getting large contributions from the upper 3% to fund their politics. They don't give a damn about the lower 80%! They say they do, but they don't. If you go to the lower 80%, the fact that you convince them that you really care about them, and you're coming with some ideas that will work for them, with cooperation, *you now have the overwhelming majority*. And if you have the overwhelming majority, you can transform the government of the United States.

### **Democratic Leaders: What Do We Do Now?**

**Freeman:** This question comes from the Senate Democratic Caucus. "Mr. LaRouche, there is a heated debate among those of us who represent the Democratic leadership in Congress, as to what our priorities should be in the immediate aftermath of the November elections, should we gain control of either or both Houses. Some among us are arguing that we should move immediately to roll back the most damaging legislation enacted by Bush-Cheney and replace it with a positive, innovative agenda designed to begin the necessary pro-

cess of reconstructing what we've allowed to decay, and indeed to proceed to build anew. Others argue that our first priority must be to begin an in-depth investigation of the violations of law by Bush-Cheney, with an eye toward impeachment. Members who advocate this approach argue that it is the only way to keep Bush-Cheney in check, while the business of reconstruction proceeds. However, I'm not at all certain that the American people are psychologically prepared for either. However, I do see their point. Could you please give us some idea of your thoughts on this, because we believe that it is going to be an immediate question."

### **Cut Out the Sophistry!**

**LaRouche:** Well, you know, it reminds me, these guys who want to find out ways to make legal reforms or something against bad government: they remind me of a eunuch who's engaged in a 20-year-long courtship, without getting married! It shows they have the quality of an emotional political eunuch in them, when they come up with these kinds of policies. And I tell them, my dear Democrats, who think that way, "No, be a eunuch! Become a eunuch!"

Look, we have enough on this case, to bounce these two clowns out of there *now!* The problem is that people who don't have the guts to do it, are saying, "Well, we don't have enough evidence." I mean, you catch a guy committing rape! You say, "Well, I've got to go out and get more evidence before I can stop this thing," eh? That's what's going on now.

They're cowards! The problem is *sophistry, sophistry, sophistry*. And you know, members of the Congress who would like to have a juicy contribution from circles such as the DLC or other parts of the upper 3%, or even the upper 1%,



EIRNS/Dan Sturman

*The LaRouche Youth Movement chorus at George Washington University Sept. 7: "What it's going to take is, when people who have the guts to do so, will stand up as I do, and tell the plain truth, about what needs to be done, and say it in a timely fashion. And you'll find that the people out there will go for it. The people are ready to lynch the entire Congress. Don't kid yourself! They've had it."*

of family-income brackets—that's the problem. They don't want to *offend* these guys, because they want their contributions. They don't want to *earn* their election, they want to get somebody to *buy* it for them! And to do that, they will *sell themselves!*

And what it's going to take is, when people who have the guts to do so, will stand up as I do, and tell the plain truth, about what needs to be done, and say it in a timely fashion. And you'll find that the people out there will go for it. The people are ready to lynch the entire Congress, membership of the Congress. Don't kid yourself! They've had it.

Look, let's take a case: Let's take health care. How many people in the United States want to hit, kill, whoever is responsible for current health-care policies? Look at the housing crisis. Do you realize that when the housing bubble blows out, do you know what that's going to mean, throughout the country? Do you realize the potential mass evictions of 40-50% of the so-called homeowners, in a very short period of

time? The shutting down of whole industries, whole sections of the banking community will collapse, and you'll have a chain reaction below that?

Do you think the people aren't out there? They're not waiting for somebody to provide credible leadership? And then you look at what these guys are offering, these candidates, including Democratic candidates! What are they offering those people? Look at what they're offering. Do you think if you were a people, you would vote for those candidates, really? The Democrats are being disgusting! If they would stop being disgusting, and have the guts to do what's obvious and face the truth, you would find that you would have a revolution inside the United States in popular support. The people know that they're turned down. Every time that they see a Democratic candidate go to the upper 3% or the DLC for a contribution to finance their campaign, they vomit—if their stomachs aren't dry for lack of food.

This is the problem. These are not legitimate questions! The question is to have a policy, which goes to the lower 80% and its problems. If you have a policy that goes to solve the problems of the lower 80%, you're going to find out you're hitting on the right track.

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## 2.1 Eurasia: Germany

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**Tremblay:** I have two questions here from Germany. The first is from Dr. Friedhelm Krueger-Sprengel from the Ministerialdirigent, in Germany; a consultant of law, and honorary president of the International Society for Military Law and the Law of War, Brussels.

"Mr. LaRouche, how do you evaluate the new Eurasian movement in Russia? The new Eurasians advocate a close political cooperation from the Atlantic to the Pacific. The center, and thereby central leadership role, would be given to Russia.

"Would such a development weaken the traditional Atlantic Cooperation? Must one assume that the Asian nations, in particular, China, Japan, and India, would form a special center which is politically and economically independent from the U.S.A. and Russia?"

And the second question is "Model for the Westphalian Peace." "Can the Westphalian Peace still serve as a model today, given that Central Europe was then largely depopulated, and weakened by the war, as well as cut into 300 parts, due to the interests of the marginal powers?"

And then I have a question here from a German economist. His question is in German and I've translated it:

"I see the corset of the Maastricht agreements as dangerous for the further development of Germany. Public investment is being stopped for a policy of budget cuts, basically until everybody dies. Do you agreed? Is this true? And how can we elegantly get out of this treaty?"

"Currently, I am reading the book of Ludwig Erhard

called *Prosperity for Everyone*, and if you take a look at this book, and look at the current neo-liberal doctrine, it seems almost as if this were a Bolshevik manifesto! Erhard correctly sees that you have to increase the buying power of the many, and basically that's exactly the opposite of what is going on today." And he asks, "Specifically for Germany, should we take a fresh look at Erhard?"

### Erhard's Role

**LaRouche:** Well, first of all, let's take the last one first, because it's the easiest one.

Yes. Erhard was thrown out of government, as part of the same process which involved bringing Willy Brandt into government, by the same people, such as John J. McCloy. Because Erhard was maybe not the best expression of what Adenauer represented, but certainly he represented a policy which was in the best interest of German society. And what happened with him, which coincided with the Wilson government coming into power, consolidating power, in Britain, and with what happened in the assassination of Kennedy, and the effects of that, and the opening of the Vietnam War—this was the destruction of civilization!

What I spoke about the cycle, long cycle today, from the death of Roosevelt to the present time, it was divided into two parts. In the first part, in the first 20 years approximately, in the postwar period, despite the rotten policies of the United States, and other countries, there was a growth in physical economic growth, an improvement in the general standard of living, and various kinds of technological improvements. Undeniable.

Then, suddenly, with the assassination of Kennedy, and the launching of the Vietnam War, you get a downshift. And some people say, this is a phenomenon of the war. Well, the war did contribute to the degeneration. *But!* That was not the cause of the degeneration. Rather the degeneration was the cause of the war, not the war the cause of the degeneration.

So, this thing is crucial. Getting Erhard out goes in the same category with the killing of Kennedy. It's the echo of the killing of Kennedy. It's the pushing by the British to push Adenauer out prematurely, to destroy the de Gaulle-Adenauer agreement, the attempt to kill, repeated effort to kill [de Gaulle], which goes to the other question about the Eurasian policy.

Now, de Gaulle's a fine fellow. But he was not a stupid one, and he was a patriot, and he did fight the fascists. He hated the Synarchists. He would have hated Felix Rohatyn. It was one of his virtues, that he would have hated him. Right? Because he was looking for, he said, "the Atlantic to the Urals," the same thing we did with the SDI. The Atlantic to the Urals was the idea of going all the way to the Pacific, with an idea of development. De Gaulle simply had this list that he adopted, of projects of France. (And they ran out of the projects now. They got the nuclear energy, but they're using that as a weapon now, not as a productive force.)

So, yes, this was a part of the process of destroying Germany. And therefore Erhard is important, in the sense that he was the last expression of a politician in a position of government, who was initiating policies which were constructive. The policies in Germany, the trend in policies by government, *have been downhill all the way*, ever since. And that's because, first of all, it was the policies of Wilson, the influence of Britain, which was the model for this. The coalition government, which was a travesty. Then Brandt came in, with destructive culture. The destruction of the educational system. The destruction of the mind in the German! The Humboldt [educational] program was the essence of Germany! You want to turn the Germans into animals, which they tried to do, and they succeeded to a large degree. So, yes, this is important.

### The Westphalian Approach

Now, on the Westphalia thing: There is no alternative to a Westphalian peace. The Westphalian Peace—guess who did it? This was done by Cardinal Mazarin, who convened the session, and changed exactly the opposite policies, those of Richelieu. Now, what happened?

You had in France, under Jean-Baptiste Colbert, the highest rate of technological progress in all European history, in *rate*. The Colbert administration was astonishing. It was the leading driver of European civilization! He launched the science academy. Just look at what happened in science and technology under Colbert, and even the influence of Colbert on those who followed, in terms of fortifications and other things which were expressions—the Monge, Carnot development was an expression of this.

The French Revolution, which was a British operation, run by British Freemasons, and a model for Hitler, shifted the thing so Germany emerged on the back of a destroyed France, which was destroyed by the British, by the imposition of the government, by who? The Duke of Wellington. And the shutting down of the Ecole Polytechnique, or destruction of it in the process.

So, the problem here, is the nature of *man*. Man is not an animal. Therefore the fundamental interest of man lies in that kind of behavior which is not that of an animal: the behavior of creating something. The search for immortality. The search for the rising above bestiality. The search for progress and benefit. So, therefore, what you give people is, you give them the benefit to improve themselves. You promote their improvement, their self-improvement, and that's the basis for your agreement.

The alternative to a Westphalian approach is a Hobbesian approach, which leads to eternal conflict. So, the idea that there's an alternative to Westphalia, or the idea that there are technical reasons why Westphalia worked—no! Westphalia worked for one reason: because of a leadership, an initiative, to end a war that nobody could end. Otherwise, there would have been no Germans left alive at all. And it was not the

ruin that made it possible. All these theories—forget them, they're wrong.

## Security vs. Asymmetric Warfare

Now, on the question of law and security. Again, the same thing. We've come to a period in world history—look, we're at the end of war! You can no longer conduct war on this planet! You may have to defend yourself in a war-like manner, but you don't use war as an instrument of policy! Which is what is being done by the British and by the United States—the use of war as a policy matter! The killing power of modern technology, and the alternative of the killing power of security technology, is asymmetric warfare!

What does asymmetric warfare do? It's a caustic force, it destroys society. It's denial of ground, by destruction. And no force can resist the denial of ground, the process of pure destruction. Can pure destruction, which is the only mode of warfare which is possible now, can that be a source of victory, a source of a victorious interest? You can never do it. So therefore the *only* policy, is the policy of mutual interest, the Westphalian policy.

The Westphalian policy is a matter of the *natural moral law*, and moral law has taken vengeance on the stupid, by bringing mankind to a level where the power of man is so great, that to use advanced power, for destruction, brings on the caustic force which is otherwise typified by asymmetric warfare. So, mankind is the power who is going to destroy himself in war.

Therefore, the *military* policy, of a military force is essentially a scientific, engineering policy. It's the thought of using the power which is implicit to cause people to *accept conditions which are to their benefit*. You compel people, in a sense, to accept the advantage, to accept the benefit of scientific and technological and cultural progress. That should be the *law*. Natural law, not Hobbesian law, not Liberal law. What you want to do is take all the Liberals and put them together with the lawyers, and stick them all in the bottom of the ocean.

## The Youth Movement

**Tennenbaum:** I think this is a good occasion to have a couple of words from our heroic candidate here in Berlin, Daniel Buchmann.

**Daniel Buchmann:** I have nothing prepared as a statement, or comment. I would maybe simply report on the fact, since we have an international audience, that we have a campaign here in the Berlin for the reindustrialization of Berlin. We have a pamphlet here, "*Jugend Will Eine Zukunft*" [Youth Want a Future, Industry for our Capital!] and this is one of 500,000 pamphlets that we distribute here in Berlin, and that we are going to distribute until Election Day September 17th. And I think we are going to be the party or the movement in Berlin, having distributed the most material in Berlin. I think there's no other party which has distributed that much material all over Berlin, and it has reached so many people in



EIRNS/Helene Möller

*Daniel Buchmann is the candidate of the BüSo party in the Sept. 17 elections for Mayor of Berlin. LaRouche Youth Movement member Buchmann announced that his campaign has distributed hundreds of thousands of leaflets, newspapers, and pamphlets in Berlin—more than any other party—calling for reviving the great industrial tradition of the city. The pamphlet he holds up says: "Youth Want a Future, Industry for our Capital."*

Berlin, bringing them a solution.

And of course, the question to you, Lyn, maybe, would be, what do you see as a prospect, or task, for the Youth Movement here, beyond the election, and what do you think? What should the youth be doing here, what should the youth be doing internationally, to contribute to your efforts, and the efforts of many people in saving civilization?

**LaRouche:** The first thing you always have to do, is you have to put the emphasis on development of the people. A Youth Movement that is not developing, that is doing good work, will disintegrate. Therefore, the educational aspect of the development, but more than that, the integration of the educational aspect with the organizing process.

Now, first of all, the first problem you have is, get your minds in order, and you know this: You have to improve the singing, and do more of it. You have to. You have to master the [Pythagorean] comma, and understand the comma, because you will never really understand Bach until you understand the comma. And the role it plays in music. You have to practice for this. Because you will find that when you go into a situation, when you sing effectively, you multiply your influence. You sing first, then you reach people. Sometimes, they will scream about it. "You're reaching me, you're reaching me, you're reaching me! Don't do it! Stop it, stop it!" [laughs] "You're destroying my fungus culture."



The other thing is, you have to have a sense of the identity of the generation. And the identity of a generation is located not just in what anybody in the generation does, but what a leading layer of the generation does, which marks the entire generation. This includes, not only the restoration of Classical culture, and by active practice—and music is the one you can trust the most, because the Romantics have really moved into every other area, very effectively.

All we have to do, to do that, is what we're doing with the educational work, now on the Kepler-Riemann work. And you have to develop the core, as a cultural standard of a generation, as the scientific culture. We're going to have to have a population which is 50% involved in machine-tool design-level operation. And you will never do that without a grounding. The grounding has to be in first of all, the Classical Greeks, the Pythagoreans and Plato, and the Platonic Academy through Eratosthenes. And then you have to go to modern.

And the modern is Cusa, as the foundation. The basis of science is Kepler, and the basic work on how the universe works, the organization, the harmonic organization of the Solar System, how it works. To understand the principle of creativity, and to master the idea of dynamics, which almost no one in society today understands, even among top graduates in science.

And therefore, this development of the quality of leadership in the Youth Movement, so it typifies what the new generation, or the new citizen, must become—in music, and in science—by this development process. *That's the strength*, the source of strength. Anything different will not work. It will fail. It's vulnerable.

You've got a bunch of people who are acting against us now internationally—they're all bastards, I know them very well. We've never been able to find out who their parents were. They were left on the doorstep someplace. Anyway—they're out to kill us. And they'll do everything they can to disrupt us. [audio loss] . . . this John Train. This is the same crowd that created fascism. They're operating, they're out to get us. We're going to get them first.

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## 2.2 Eurasia: Russia, India, China, and the SCO

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**Tennenbaum:** The circulation of Lyn's document, the announcement of this event, and some of his recent writings elicited an enormous response, particularly among those nations which are directly involved in the question of the Eurasian cooperation, and others who are very concerned with the world situation, and who agree that we are at a turning point in history.

We received also not simply questions, but also substantive contributions, which for time reasons, we at most can just

indicate a couple of main points.

Prof. S.G. Luzyanin, of the Institute of the Far East of the Russian Academy of Sciences, is a specialist on the Shanghai Cooperation Organization (SCO), and also an expert on security in Central Asia.

Just introducing his paper, he says:

“As for Mr. LaRouche's proposals for large-scale infrastructure projects in Eurasia, I believe that his evaluation and analysis of Eurasian matters are extremely important and timely at this time. Essentially LaRouche's concept gives new approaches to the integration of the Eurasian space. The idea of the Eurasian Land-Bridge precisely fits with traditional Russian approaches and is well suited to the current reality in the world: the formation of a new institution for organized cooperation among peoples and states. I believe that Mr. LaRouche, in developing the concept of the Eurasian Land-Bridge, has found the optimal ratios of geopolitical, physical-geographical, and geo-economic methods. The result is a very promising theory of the fusion of various sciences. . . . I fully support this approach that Mr. LaRouche takes, and his basic conclusions.”

Along with this, Professor Luzyanin sent us a paper about the progress of the Shanghai Cooperation Organization, which had its fifth anniversary summit in Shanghai, July 5-17. This organization, whose importance is growing, has, in effect, institutionalized the famous Russia-India-China “triangle,” in a certain way, considering that India is an observer.

Also a brief question comes from Prof. Ma Jiali, one of China's leading experts on India, who is very active in Chinese-Indian relations. He works at the China Institute of Contemporary International Relations, which is one of the most important official Chinese government think-tanks, which was founded by Zhou Enlai. He will be attending the November sixth round of the forum on triangular relations between Russia, China, and India. And here's the question:

“My question for Mr. LaRouche is, how to evaluate the substantive cooperation in the future among China, Russia, and India. I have ample evidence to believe that the trilateral relationship among these three countries will overcome various difficulties and develop steadily. Will the development of this cooperation play a positive role in preserving regional and global stability?” He would appreciate your comments.

### Look for Global Solutions

**LaRouche:** Yes. Well, you have to often, in solving a problem, go outside the problem as stated and find the solution outside the problem as stated. This is typical scientific method. Always. Because, if you have a problem, and you have people who are recently expert in a certain area, you generally find they've explored a lot of things, and they have a lot of colleagues with whom they've discussed these things, they've gone through it rather thoroughly. And if they don't have a solution to a problem within the area of their expertise, go outside the area of their expertise and find the solution.

Because, the problem is, is they haven't gone far enough.

It's like the idea of creation, you see. Man is creative and God is creative, is the idea that the universe is constantly changing, it's expanding. It's expanding by going outside itself.

I'll give you an example of this, because it may come up in other questions. Let's take the case of the Sun. Now, a long, *long* time ago, by our standards, the Sun was out there. All by itself, in its particular area. All alone. And it was spinning—it was spinning, probably because, you know, it was fidgety and youthful, didn't know what to do with itself, it was just spinning, spinning wildly. So, it began to spin off material, plasma. It would spin off in the form, naturally of a disk—you know this kind of rotation that you see, hmm? A disk. Now, this disk was being hit by radiation from the Sun. And my conjecture was—and the major laboratory that pointed this out to me said I was right—that polarized radiation would produce what we would use to call the 92-element Periodic Table in the Solar System. And also, it would distill this product, just like fractional distillation, but not quite.

Then you had this work by Kepler, who went through this (and people didn't really study Kepler enough to understand him), because he had two things: Not only did he discover gravitation, but by the same method, he extended that to the dynamics of the whole system, in his idea of harmonics. So this trick, of course, as Jonathan can explain to you, about how [Gauss] discovered the orbit of Ceres and Pallas, on the basis of Keplerian harmonics, by recognizing that the characteristic of the thing in the Kepler system would have to fit a certain harmonic belt.

But look what happened: The Solar System is out there, the Sun's out there, and you get a Solar System. You get a development from the Sun, in the Sun, which is outside the Sun! Then you start looking at galaxies and so forth, and say, "Hey! This universe is not organized the way these teachers tell us!" The universe is created! It's driven by creative principles of creating higher orders of organization, than it itself represents.

And that's the way man should think about man.

People who are stagnant don't do too well.

## Go Outside Existing Assumptions

Now, what do we have to go outside? Go outside the existing assumptions, and go into some things that some people know, and some of our friends in Russia know this very well, scientifically. We're bordering two limits, which I've referred to in a number of things I've written recently on this. Two limits: One, fresh water. We are now relying, largely on this planet, on freshwater supplies, or semi-freshwater supplies, which are actually drawing down fossil water or quasi-fossil water. That is, they're either drawing down water which has been stored in the planet for a million years or 2 million years, which once they use it up, it's gone. It will not be replaced. We have that problem, for example, in Northern

Africa. How much of this water is fossil water? If it's fossil water, by drawing it down, you may relieve the problem in the short run, but in long term you're going to have a problem: Where are you going to get a replacement for the water you're using up? And this is worldwide: Probably 20% of the water supplies, freshwater supplies available today, are being consumed at rates faster than they can be replenished by the so-called natural means.

Now, we can, particularly on the level of high-temperature gas-cooled nuclear reactors, we can, actually, efficiently produce water. And if we use it efficiently, we'll use it to grow trees, and other things which will create micro-weather systems so you will build up a natural system of regeneration of supplies with the help of the use of nuclear power. And high-temperature gas-cooled reactors of the thorium type, uranium type and so forth, these will do the job.

Now, next: We've got another problem. The mineral resources on which we rely for human consumption are also limited. Most of the mineral resources we use come from what's called the Biosphere, from billions of years of living processes which have left a deposit, which has been residue of life. Now, we relied upon what we call the richest of these resources, for industrial transformation of these things into finished products of various types. Hmm?

Now, how are we now, with over 6 billion people on this planet, if we begin to try to meet the life requirements of a growing population, now about 6 billion people, we find out that the resources readily accessible which are rich resources in the Biosphere, are not sufficient.

So now, one of the first frontiers of this, is isotopes. Like for example, kalium-40, which is unexplained exactly why it does what it does, but it is selected by biological processes in a certain amount. They seek to have a certain level of kalium-40 in them. So, isotope economies, that is, isotopes of chemical elements, also are a significant factor here. So we are now looking at isotope management, as one of the problems, largely in the health field. Because we're concerned with how living processes react to different isotopes differently, differentially.

So, we are now, if we get to thermonuclear fusion, as a generalized technology, not just a power source, we are now going to be able to start to manage and synthesize some of the things we need, so we can now begin to use things which are considered very low-grade raw materials. They will suddenly become, because of an economic or physical transformation, high grade.

## European Machine Tools for Asia

Now, let's look at the problem. The problem is to take Asia. Take India and China as two cases, which are very clear, which help you to make a policy, because they have a similar problem but a different problem. They're the same category of problem, but they have different cultures and they have different characteristics, and different characteristic

problems.

Now, India and China have populations which are about 70% extremely poor. It is no good. And the prospect of society is very poor unless we do something about this; and the prospect for them. So therefore, our concern is to accelerate the rate of technological development in India and China, and similar countries of Asia, *rapidly*, in order to enable India, and China, and similar countries, to be able to upgrade the opportunities for life of their existing population, to raise the standard of living. This means we require a general cooperation, in Eurasia as a whole, to manage this problem, which is a 25- to 50-year problem. That is, the investments we have to make, to solve this problem, means we have to make investments which will have a 25- to 50-year investment life.

We're going to have to change, therefore, we're going to Europe. Now, Europe has a culture which permits us to deal with this problem. But it's pretty much abandoning that culture. Therefore, we're going to have to say, "Cut the crap out, boys! No more yuppie society or hippy society, or whatever. No more! You guys are going back to work! And you're going to do good European work, because that's what the world needs of you. You're going to shut down this, and you're going to shut down that, you're going to get rid of these rock concerts and all this nonsense, and you're going to go back to work. And what you're going to do, is you're all going to be trained to be engineers, you're going to go into doing various kinds of work, because you're going to produce *science-driven work*.

"You're going to eliminate benchmarking, which is a fraud. You're going to go back into machine-tool design. The European of the future will be, the leading European, the most successful ones will generally be *the machine-tool designers*, again!"

Anyone in China or India will say, when they get wise to this, they're going to say, "Hey! You're European, huh? If you're not a machine-tool designer, you're no damned good. We don't need you. What good're you to us?"

So therefore, science and machine-tool design as a very large ratio of the characteristic employment of the population will be the major feature. In other words, you want to have even 50% machine-tool designers, among the total population. Because, it's only on that basis, that Europe is useful to the masses of the population of Asia.

Now, what're we going to do? Can Asians buy this stuff that we're going to be producing? Well, not on a cash basis. But European countries can make long-term agreements with countries in Asia: 25- to 50-year agreements. We can package a whole lot of credit into various packets. So, China will have agreements with Germany—that's sort of an easy one; or India. And what you'll have is nation-to-nation agreements. Which you can't do in Germany right now, but that will change. That is, the German government will make package agreements with the Chinese government or with the Indian government. These agreements will be loan agreements, so

you agree that Germany and China will exchange credit with each other, over a 25-, 50-year period, and the package will have all this credit.

So now, you issue credit, from Germany, to Germans to produce for China. You will also get credit from China on the reverse. You'll plan this thing out in a way, so that over a period of a 25- or 50-year cycle, you will get a wash.

So, instead of borrowing money from a bank, you have the government that creates credit. We can do this in the United States by an Act of Congress. You can't do it under European systems presently by an act of legislation. But you can make agreements with other countries on long-term treaty agreements on terms deferred, and loans.

Now, you take the thing, something like in Germany the old Kreditanstalt für Wiederaufbau, you take that approach, you supply the credit. Now the people in China, the people in Germany, make agreements. And they go to an official government authorizing agency for credit, like the Kreditanstalt did, something like that on a larger scale, international scale. And now, you find that the credit will be issued for the German to produce, or China to produce, and one to buy from the other.

So what you want to do, is you want to specialize European production to meet the requirements of capital improvement in Asia.

In the meantime, you have a vast area—you can't just go out into Central Asia where there're a lot of resources and throughout Central Asia and Northern Asia; you can't do that, because you have to develop the process. You have to make large investments, you have to build cities, you have to build small cities, you have to build large-scale infrastructure projects; otherwise you can not develop the raw materials which lie under the ground. You just can not go out and get the raw materials: You have to *develop* the process of production of these raw materials, and the markets.

So therefore, you have these kinds of agreements. *Therefore!* What you have, is very clearly now, since capital transformation is the basis of the future, for these countries, respectively, your policy has to be long-term policy. Long-term credit policies, state to state. In which the state credit is now used to create a fungible form of lendable credit to state and related agencies. And therefore, you can make as much investment as you want to, as much investment as is reasonable to have.

Then Europe has to change its policy, to qualify itself as a supplier of what Asia wants. And you have to figure out what Europe is going to get back in return for its investment in the development of Asian countries. But you have to change your policy.

So the basic thing, again, is to make a cycle. Instead of letting a cycle happen to you, you build a cycle. It's what any competent investor does, in industry. You make an investment plan: You're going to develop a product, you're going to develop a company. You're thinking ahead one to two

generations of what you're going to do. That's the way you do it. Countries can do the same thing. Countries can say, "We're going to promote this development. We're going to provide more credit easily for this, if somebody can do the job; then, we will go for something else." And that's the way you do it.

So the natural specialization of people who *need* the advantages, of what was a traditional European approach in modern times, in Asia; and Europeans who need a *raison d'être* for nations that're about to go on the junk pile: *Go back to doing what Europeans should do!* in terms of the global division of labor, and it will work out just fine. So you don't need to make some kind of ideological understanding, and ideological framework, or political framework. What you need to do, is simply think: Think about going outside the present arrangements, *to build a system which fits the needs of both, with the needs of the other.*

### Time To Reform the Monetary System

**Tennenbaum:** Prof. Dai Lunzhang, former chief economist of the Central Bank of China, first vice president of the China International Economic Relations Society, speaks of a widening gap between the rich and the poor, which underscores the increasing imbalance of global development, and therefore incurs two dangers, "as Mr. LaRouche said, 1) the danger of uncontrolled conflicts and wars; 2) the danger of a general breakdown of the world financial and monetary system. These dangers are the biggest threats to human society, so I believe LaRouche's point of view is accurate and significant."

He then speaks of China's, and the Chinese government's policy of trying to secure an international environment and evolutionary process, where world peace is maintained, common development is promoted. In that context, he notes that Palestine and Israel have not reached a peace agreement through four rounds of war. Now is the time to look for a solution with diplomatic meetings.

He says that the globalization, in its present form, has increased the level of economic interdependence, but also aggravated the unevenness of development in the world. And he concludes, "It's time to reform the time-worn international economic systems, and the members of the international society should fully cooperate to correct the unreasonable parts of the current system. As Mr. LaRouche mentioned many times, a new round of the Bretton Woods meeting should be held, and a new international economic system should be established." And he quotes a Chinese saying that says, "Reducing pressure could avoid the crash."

Then he adds a couple of questions. "Is it really possible in the present situation to go to a system with fixed-currency parities?" He notes that the original Bretton Woods conference occurred in a very specific context of a shared experience of the Great Depression, of the concentration of power in the hands of a few states, and a dominant power at that time that

was willing to assume a leadership role. Unfortunately, he says, these conditions are not true in today's world. So he asks, on what new political basis could this New Bretton Woods system play? And then he asks, also, what about the United States? Obviously, Eurasian cooperation should not exclude the United States, as it has a critical role to play.

I'll add another question which goes in the same direction, by Prof. Su Jinxiang, who is director of the Center for Globalization Studies at the China Institute for Contemporary International Relations.

And he says: "Hello, Mr. LaRouche. There are some economists in China like me who trust your views on the current world economic situation. We believe you have the best methodology and methods for long-term forecasts. My question is: If a sudden collapse of the dollar, and of the international financial system, is coming, what can China do?"

**LaRouche:** Well, these questions all converge on the same point. Forget the illusion that money has any intrinsic value. *Money has no intrinsic value.* Money is simply an agreement. It's a contract, that's all. It's a necessary contract, but it's a contract which has to be managed by governments, and the way the U.S. Constitution and its system is designed, is perfect for this purpose.

Now, let's take the case of, should the crash occur. Now, the question has come up, "Well, let the crash occur. Let's revalue currency. Let's devalue the dollar." Well, if you devalue the dollar, the effect is, you're going to start a chain-reaction which will collapse every economy in Asia, and Europe, at the same time. So, you can't devalue the dollar—because you're in a credit system. You're going to collapse the credit system!

What do you do? Well, you think in long-term terms! Can you resolve this problem in one year? No! Can you resolve it in five years? No! Can you resolve it in ten years? Maybe, a little bit. Can you resolve it in 15 years? Well, that's more a possibly. How about 20 years? Ahh, we can do very well then. Thirty years? Oh, we're fine.

Therefore, you have to think in terms of generations. 25 years is a modern generation. That means that the equivalent, your basic young population, is going into a university level of education in quality. That's what you need. That should be an objective. That should be your standard. So therefore, you're going to think in terms of generations.

### How a Fixed-Exchange-Rate System Will Work

Now, how would I deal with it if I were President of the United States? And maybe I should be the acting President of the United States. I don't want the job permanently, but maybe I have to take care of some things, while the other boys don't know what to do.

What we have to do is this: "No, I say the dollar will not be devalued! We're going to defend the dollar at its current parity." Now, how do we do that? We do a number of things.

First of all, we find that certain categories of debts—the largest amount of debt in the world system is based on gambling debts. And Chinese, of course, know about gambling debts, it's an old problem there. Gambling debts are not real. You can cancel them. There's no real value there. Cancel them. And that would eliminate some of the pressure.

Now what do you do? You have to convert your debt itself into credit. In other words, if you owe something, and you're going to be able to pay what you owe, then your debt can be fungible on the world market as credit. So therefore, what you do, is you enter into long-term agreements, of 25 to 50 years, and you premise the value on two things: first of all, a system of regulation, of the type we used to have before 1971. Or actually, before the middle of the 1960s, when you still had a system. A system of regulation. You convert unpayable debt into payable, by converting it into long-term obligations which are *fungible*, and therefore, if a debt can be paid eventually, it has value.

So we agree to take the debt that we have, and we convert it into a fungible asset. We then use that fungible asset, to issue credit with a guarantee of participating governments. We must not have fluctuations, however, in the value of money. So, we set up a fixed-exchange-rate system, and we go through a process of reorganization of the world's debt. We cancel debt that has no worth to it. Just cancel it! Gambling debts. Gambling debts will not be paid—*ever!* Finished. I don't care what length or kind. Gone! Nobody can collect on a gambling debt. Finished. Gambling business stops. Now some people in China, or Hongkong, will [audio loss], but they'll do. I think they'll go along with that.

Then, we agree to a fixed-exchange-rate system, over a period of 50 years to come. Thus, we make all the debts which are *valuable* debts, which have a real basis for them, we make them *fungible*, as a source of credit. In other words, we take the debt, pledge it against a credit to be issued, the credit system.

### **Invest in the Future of Humanity**

Now what do we do? We take the credit we generate, and what do we loan it for? We loan it, obviously, into *long-term investments*, not short-term investments. What are long-term investments? Basic economic infrastructure—water management systems; complete communities.

Let's take China, for example. If China's got to deal with a large percentile of poor people, with a large percentile of undeveloped land, the big investment is going to be in new cities, transportation systems, and so forth. To change the *territory* of China, so more people can live happily in China. This is going to be the basis for their ability to increase their productive powers. So therefore, we make an investment, a long-term capital investment in China, in order to make the Chinese people, who are in large degree not productive, because they're too poor, because they don't have needed condi-

tions of life, we now make them so they will *have* the conditions of life. So in a 25-year generation, that generation will step up and be more productive than the previous generation; and the second generation, 25 to 50 years from now, will be even more productive. So, we do that! We make an investment in the future of humanity.

And at the same time, we have to increase the productive powers of labor, which means we have to have a technology-driver, which increases the productive powers of labor. We have to increase the capital-intensity of production. And we're going to Mars, we're going beyond. We're going to reorganize the Solar System. We've got a lot of work ahead of us.

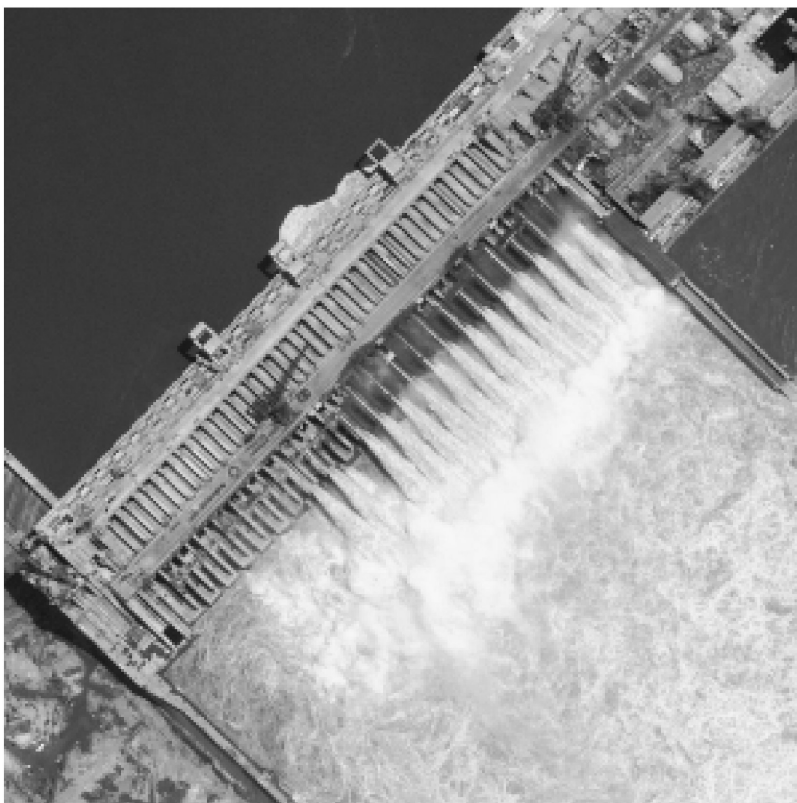
So, if you have that idea of a long-term system, and understand how to set up a system of controls, the way Franklin Roosevelt did, and the Roosevelt Administration did, the secrets are all there! And what you need is a big player, and the United States—if it changes its government, that is, if it changes the personnel in government—can become a big player again: because our Constitution allows us to do this. What it enables us to do, is to use our Constitution as a pivot, to enable other nations of the world which don't have that kind of Constitution, to engage with us in a global system, where we come into treaty agreements, long-term treaty agreements, 25- to 50-year agreements, in order to maintain a fixed-exchange system. You can not have a floating-exchange-rate system, because if the currency fluctuates, the interest rate goes up. If the interest rate goes up, you cut off investments. You've got to have a basic 1-2% simple interest rate in the system. If you're willing to do that, then everything can work—if you're willing to *make* it work. And if you're willing to promote ingenuity.

### **Reduce the Role of Large Corporations**

The best thing to do is to reduce and limit the number of large corporations, because the large corporation does not have an interest in the firm, it has the interest in the money. So therefore, the way to do that is to have more smaller firms, which are closely held, where the leaders of the firm have an interest in what they do for society.

We used to have that in Germany, in the high-tech industries and machine-tool industries, design industries. For example, MBB is a good case of that, in Germany. And anyone who wants to study it, study the German MBB, before it was destroyed by Mercedes Benz, Daimler Benz. Machine-tool design people. Now, how did they function in the aerospace area and related areas? Look at the expert. Well, it was a large company, in a sense, but what did it depend upon? It depended upon firms, which were high-tech firms, sometimes with three employees, a physicist and two other people; or sometimes it had 20 employees. Closely held firms, up to a couple of hundred people. These closely held firms were family firms, or quasi-family firms, and they had





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*China's magnificent Three Gorges Dam: "China's got to deal with a large percentage of poor people, with a large percentage of undeveloped land. The big investment is going to be in new cities, transportation systems, and so forth, to change the territory, so more people can live happily in China."*

an interest in being effective in their communities. They also were the *bulwark* of communities, because what you want in a community, a small city or town, you want a number of industries which are diversified in terms of what they offer. And this is something that makes the community function. Because you have people who are the economic power in the community, aggregately, and they are interested in the community. They live in the community, they want the community to succeed. They want the firm to succeed. Not now, not this year, not to merge it. They want it for two to three generations to come. We used to have a lot of those in Germany. They would be built in other parts of the world. So you have an orientation to protect and promote the kind of investment, the kind of activity, which is useful.

And we need to have a shift now, we need to have a shift in Europe, in general, to a machine-tool-guided emphasis. We don't need mass production industries which produce stamped-out products. We need machine-tool design-based industries, where you can walk into the firm, "I got a problem. Can you fix the problem?" And the fellow will say, "Well, I can't fix it for you, but I know a guy down here who's got a

firm who can do it." And that's the way it works.

So, we want an orientation away from the large corporate idea, the stockholder corporation. Yes, we need large stockholder corporations to start putting things together. *But!* What we need is that the basic structure has to be largely the small firms, which are high-tech driven and machine-tool oriented. And if we do that, and regulate the system to promote that, and give them the advantage, then you're building the society, you're building the people, you're building the culture. Instead of having large areas which are going into destitution, while a few large corporations dominate everything, you have a sprinkling of skill and power of production throughout the local communities. Like the old-fashioned farmer, who, again today, the modern good farmer was the same thing as the machine-tool operator. You had good farmers in an area. You had good industries, small industries in the area. You had a community interest on the part of the leading people who were the producers, the proprietors of these things, in the area. They took care of the community. They make sure the schools are taken care of. That's the kind of society, which we used to understand was a good society. Let's go back to it.

So, we have to force that direction, by insight on a global scale, to the kind of reforms we make in society in general, and in monetary systems, and understand, *that's what we want to do.*

## Superpowers and Geopolitics

**Freeman:** I'd like to take a question from someone in the audience here, Colonel Datta from the Foreign Policy Association, who is also the president of the Indian Veterans Officers Association of America.

**Colonel Datta:** Good morning, Mr. LaRouche. Thank you for an enlightening and a futuristic talk. In this historical process of the demise of British colonialism, the end of Cold War, and grand upsurge of militant Islam, would you please express your views that, in this context, is America the only superpower, now turning to be the new colonial power in Asia and Middle East? Is the abject failure of its foreign policy, that though "Islam" means "peace," all the avowed terrorists are all Muslims? Thank you.

**LaRouche:** I don't think these ideas, these schemes of that type work any more. For example, look at the overriding situation, the overriding dynamics in the situation. Let's take the question of so-called raw materials. I mentioned earlier

water and mineral requirements. I talked about the immense poverty of India, the immense poverty in China. On the surface, you have what appears to be success, but you have on the other side terrible problems, like the East Delhi problem. You have in China the same kind of thing. You have billionaires, Communist Party billionaires. It's a unique phenomenon, there, but you also have terribly poor people.

So therefore, there are no solutions under present conditions, that are not in a sense global solutions. They're global solutions which require the institution of the sovereign nation-state, for cultural reasons, because you can not destroy the idea of national cultures as a sovereign interest. You must promote national cultures as a point of sovereign interest.

But because of planetary problems, we require cooperation. *It is simply not possible to live on this planet, unless we learn how to manage it properly. We can live on this planet!* There's plenty of resources for us, if we manage them properly, but we've got to do it. There's no room for empire, of any kind. We've got to go back to emphasize the nation-state. But emphasize, above all, the development of the individual in society.

And to the degree that we solve those problems, I think other problems are soluble. I don't think we can design solutions. Economic systems of 50 years' duration, I can design, and they will work. I know how to make them work. They fit the requirement of the sovereign nation-state. We need to have initiatives, some people who will develop the initiatives which will inspire others. We need leadership. But the idea of new superpowers, no. There's no chance for new superpowers. Any superpower that emerges will be destroyed: So who wants to be a superpower? Only an idiot.

### **Greetings From Malaysia, Russia**

**Tennenbaum:** I want to just mention that we received a message of greeting from the former Prime Minister of Malaysia, Mahathir Mohamad.

We also have a message from the President of the Russian Academy of Natural Sciences—this is the second largest academy in Russia after the Academy of Sciences of Russia—who's also the rector of Dubna University, Prof. Oleg Kuznetsov, and a colleague, Prof. Boris Bolshakov, who wanted to communicate to our discussion here their view that, "Lyndon LaRouche is well known in Russia as a major scientist, an outstanding economist, and a distinguished American political figure, one of the most important and prominent partisans of the idea of cooperation between the U.S.A. and other countries on the economic development of Eurasia in the spirit of Franklin Roosevelt. The fundamental ideas of LaRouche's physical economy are consonant with the ideas of such scientific luminaries as Gottfried Leibniz, Vladimir Vernadsky, and Pobisk Kuznetsov. They are the basis for profound analysis of the global monetary-financial system and strategic perspectives for mankind's next 50 years."

The statement goes on to point to the enormous gap between the speculative values in the world economy, grown from \$2 trillion to \$450 trillion on the one side, and the physical economy on the other side, and the danger of spreading asymmetric warfare. "This confirms Mr. LaRouche's conclusions. In our view, a new monetary financial system should include key elements of the original Bretton Woods system as well as kilowatt-hours as a universal measure of value." I guess Mr. LaRouche will have something to say about that.

But I want to go on with two other statements. One is a greeting from Yuri Krupnov, who is an expert on education and also on nuclear energy, who is working to form a new kind of political organization in Russia. He says: "First of all, allow me to express my gratitude for your tireless work in the interest of all humanity, on organizing world development. Today, Russia knows you well as an outstanding economist and political figure of our day, a genuine leader for mankind. We wish you strong health. In Russia, we often talk about the 'Siberian constitution.' [laughter] We fully share your concern over global deindustrialization. We believe it is necessary to organize a world coalition for industrial development right away." And he's taking the initiative to form a coalition in Russia, and he asks what you think about creating a world coalition for industrial development.

### **Nuclear Power and the Isotope Economy**

Now, two contributions where I only mention the major point of content. One is from Prof. [Stanislav] Subbotin, from the Kurchatov Institute in Moscow, who's also been engaged with the leader of the Kurchatov Institute, Academician Yevgeni Velikhov, in a study of the future of nuclear energy on a global world basis. And we've had some discussions with Prof. Subbotin, which are ongoing, actually, on the issue of the so-called isotope economy. He simply emphasizes a couple of points in his short paper.

He says that there's no way you're going to solve political and economic reforms or problems of the world in the coming period, unless you have a functioning power system. And, to have a functioning power system, we're going to have to go to high-quality energy on a large scale for a long period of time. And the only way that we have at the moment is fission energy from the heavy elements uranium and thorium. He also notes that the products of the fission process include nuclides of great usefulness to technological civilization, including various forms of metals, including highly precious metals.

"The use of nuclear power opens up a new evolutionary process, which implies a new technological revolution." He also points to the importance of the high-temperature reactors which would be capable of producing hydrogen in large quantities, at high rates of efficiency. And he then summarizes, also, the view that Russia must play a key role in this coming period of a massive expansion of nuclear energy, as opposed to being simply a raw-materials exporter, and says that we

must emphasize in the development of the power industry in the 21st Century, it depends also on science and education. "Science and education must plant now, what will be reaped in 20 to 30 years." He also says that if we don't think in this kind of way, then the world will not be able to proceed or even survive this 21st Century, "since practically all crises are fundamentally intellectual in nature."

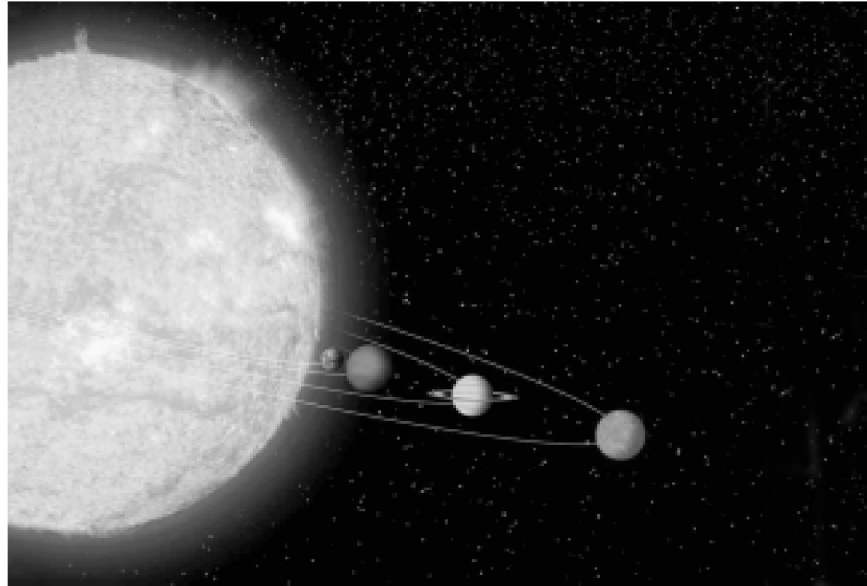
One last brief point from materials that were given to us by the Vernadsky State Geological Museum in Moscow, which is one of the central institutions in Russia to deal with the question of raw materials, geology, from the standpoint of V.I. Vernadsky. The head of the Vernadsky State Geological Museum, Academician Dmitri Rundkvist, who sends his greetings, emphasizes for our consideration here that there—I'll use my own words—kind of a revolution in geology going on, with the discovery of new qualities of large and super-large deposits, as science proceeds. And he says, "These discoveries have fundamentally altered our conceptions about the limits of strategic mineral raw materials in the world." He emphasizes that the problem to be overcome is to create the adequate international cooperation, the necessary large-scale infrastructure investments, and, the cooperation that will overcome the problem of the unhomogeneous distribution of raw materials in the world.

So, I would like perhaps if you would comment on these points.

### There's No Fixed Universe

**LaRouche:** Well, we do have to change our way of thinking about a lot of things. For example, the universe we think in terms of, largely, today—we're taught to think that way, in terms like kilowatts, for example. What's "kilowatts"? Kilowatts don't exist. It's a measure of an effect. The idea of energy, in a reductionist sense, doesn't exist. The universe is created.

Look, I mentioned earlier this question of the Solar System. The Sun is very creative! If you try to draw fixed conclusions about the Sun from study of it in a certain state, and assume that's the steady state that it's going to be in, preferred steady state, you find that that's not true. The Solar System is a product of the Sun, which means it's a product of an *unsteady* state. That the universe is intrinsically *creative*, as Philo said in denouncing Aristotle: that God did not become impotent by virtue of creating a perfect universe. There's no perfect universe which is fixed. The universe by its nature is growing.



NASA/JPL

*An artist's depiction of the Solar System. "The Sun is very creative! . . . The Solar System is a product of the Sun, which means it's a product of an unsteady state. That the universe is intrinsically creative, as Philo said in denouncing Aristotle. . . ."*

Man is growing, changing. While we may discover a universal physical principle, we apply it to the condition of life, we change the universe! You discover a principle, and you apply it in a way to the universe that it's never been applied before, you are changing the universe.

The nature of man, which no animal can do as such, is to change the universe. We are headed out to take charge of the Solar System more and more, where the decision earlier in the last century to get to the Moon was always the conception of trying to get into the Solar System, and you needed a device in which you could build things—and the nearest place was the Moon—to build large structures which are necessary for getting to Mars, for example. We are headed to control the Solar System. We are headed for some time in the future, we should be able to control and modify the Solar System. Mankind is implicitly out to fix our galaxy and manage it. Mankind is on the way to deal with the universe, on a universal basis. A long time down the road, but there's plenty of time. We won't run out of time. We'll make more time.

So, the problem we have, is that we tend to think about fixed arrangements, the way people play chess. You know, chess players are very bright people sometimes, but they also get stupid by playing too much chess, because they think that everything is a matter of how you solve things in a fixed board, a fixed arrangement. They get no further than Leonhard Euler, who discovered how the knight's move in chess works, and he never got beyond that. He became a great chess player, and a lousy scientist.

So, I have a question here, which is—particularly, Velikhov's observation is very relevant to that. Our view is to

get away from the idea of a fixed universe, a fixed set of real estate, a fixed set of rules. Our objective is to think in a God-like way, in a sense, a creative way. You want to be called “in the image of God”? Well, be creative, eh? And think about solving the problems which we have not yet recognized exist.

And what you have in Russia in particular, one of its great assets, is that, despite the great poverty and the problems we know from Russian history, that from the time essentially from Tsar Peter, when he went to Freiberg Academy, and developed a couple of industries in Russia—mineralogy and so forth, and geology—that that became a source of a great inspiration for Russia, and became an area of its great achievements. And its accomplishments in this area that these scientists refer to, are of that character.

So, this is something that is good for us to be tied into. It’s good for us to look at Russia from that standpoint, to look at this particular aspect of Russian scientific thought, which has its other side as well. But look at this side, the creative side, the impulse to go beyond the fixed order of things, to think of man in a better, higher way, not as a fixed species where we have to discover the fixed rules for all time for man’s behavior. I’d rather say, there are no fixed rules, but our job is to develop, to increase, to improve the quality of mankind, the quality of the human being, the power embodied in a human being, the ability to control the universe more and more, or the *responsibility* to manage the universe, starting with the nearby Solar System, as well as Earth. To think in that way. Thinking in that way, going outside the fixed limits and assumptions, of conventional assumptions, to look at the world you’re not seeing, to look out of the corner of your eye at the thing you don’t see, eh?

It’s a principle of life. Just think about the essence of science. The essence of science, as the Apostle Paul emphasizes, is the Platonic concept in *I Corinthians* 13: Human vision doesn’t show us the real universe. Human vision shows us the effect of the act of the universe on our sensory apparatus, and our cognition of what that means. To understand, to be man, means to step out, outside and beyond the limits of a literal interpretation of our sensory experience. This we call the discovery of a universal physical principle. When you find, that out of the corner of your eye, as in a great poem—out of the corner of your eye, you see something that is not shown to your senses directly, but which *your mind is capable of recognizing exists*. And not only can we discover things that exist, if we can’t see with our senses, by the powers of mind, but we can also *use* those things we discover and *prove* they’re true, by being able to control them, that is how we begin to understand *that mankind is naturally, by nature, a creative force in the universe*. Not simply a cutter-force, not simply a force which can use its power to get more and more power. But as a creative force, *we are going to change the universe, as man*. That’s our destiny. If we think in that way, then we get into the habit of looking out of the corner of our

eye, our senses, and seeing what’s there that we should be able to see.

And then we discover immortality, because even if we die, we changed the universe. We’re immortal.

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## 2.3 Eurasia: Southwest Asia

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**Tennenbaum:** I have now several contributions and questions that deal with the question of Southwest Asia. A contribution to our discussion here was sent by Vladimir Borisovich Isakov, who is the vice-president of the Chamber of Commerce and Industry of the Russian Federation, and who works directly under the President of the Chamber of Commerce, Yevgeni Primakov, former Prime Minister of Russia. Dr. Isakov regretted that he’ll be travelling during the time of our conference, but wished us the best success and submitted for our consideration here, the text of a very important statement that was made just two days ago by Yevgeni Primakov in Moscow, when presenting a new book of his on the history of the whole problem in Southwest Asia and the international events around it.

The book is called *Confidential: The Mideast On Stage And Behind The Scenes*. Primakov was already a very accomplished Arabist/Orientalist before he became, first, Foreign Minister of Russia, and then Prime Minister. Primakov says, “This book is about one of the main aspects of what I have experienced in my life. I have been dealing with the Middle East for over half a century, as a journalist, a scholar and a politician. As [the poet] Yesenin wrote, ‘What we can not see, face to face, / Big things are seen from a distance.’ ”

He refers to the fact that his book may create a certain amount of controversy, and not all people will agree with it.

Primakov reviews six “realities” of the current crisis in the Mideast, including the impossibility of Israel achieving its goals militarily, and the necessity for U.S. involvement in a solution. Despite all the difficulties, says Primakov, “I still advocate, first, that the Quartet, bringing in other participants, work out a compromise settlement plan, and secondly, demand that it be accepted by the parties of the conflict. After all, we have the precedent that Israel came into existence and Palestine was partitioned, not as the result of Jewish-Arab negotiations. The convocation of an international conference, with the active participation of Russia, the U.S.A., Europe and the UN, could be a way to implement the ideas I have indicated.”

Would you care to comment?

### Compromise Simply Won’t Work

**LaRouche:** It won’t work. Compromise won’t work. You have to go with something else. You have to go with the Westphalian policy. The problem in this area is that the root of the problem lies in the fact that the whole region has been a long-time focal point of interests, largely Anglo-Dutch

Liberal-centered interests, engaged with the French Synarchist interests, and this goes much deeper than Sykes-Picot. Sykes-Picot was only on the surface. You want to get to the gut of the thing, you must go on a much deeper level, and it's a much older level. This was created. The crisis was created. And the reason this thing goes on is because the Anglo-Dutch Liberals don't want it to stop! These countries are controlled by Anglo-Dutch Liberal influences.

Look at the case of Benjamin Netanyahu. Netanyahu—you know, you had these fascist movements in the Zionist movement. Netanyahu's father represents one of the worst, and he's one of the worst. He's an American fascist, essentially, and he's an asset of American interests, but also of British interests. The thing is highly corrupt. But it's orchestrated from the outside! So you try to bring things together, that aren't independent. They're slaves of outside interests! They're plenty of Israelis who have no problem with the idea of solving the problem, but they're independent interests. They're not the people who are tied to the outside interests.

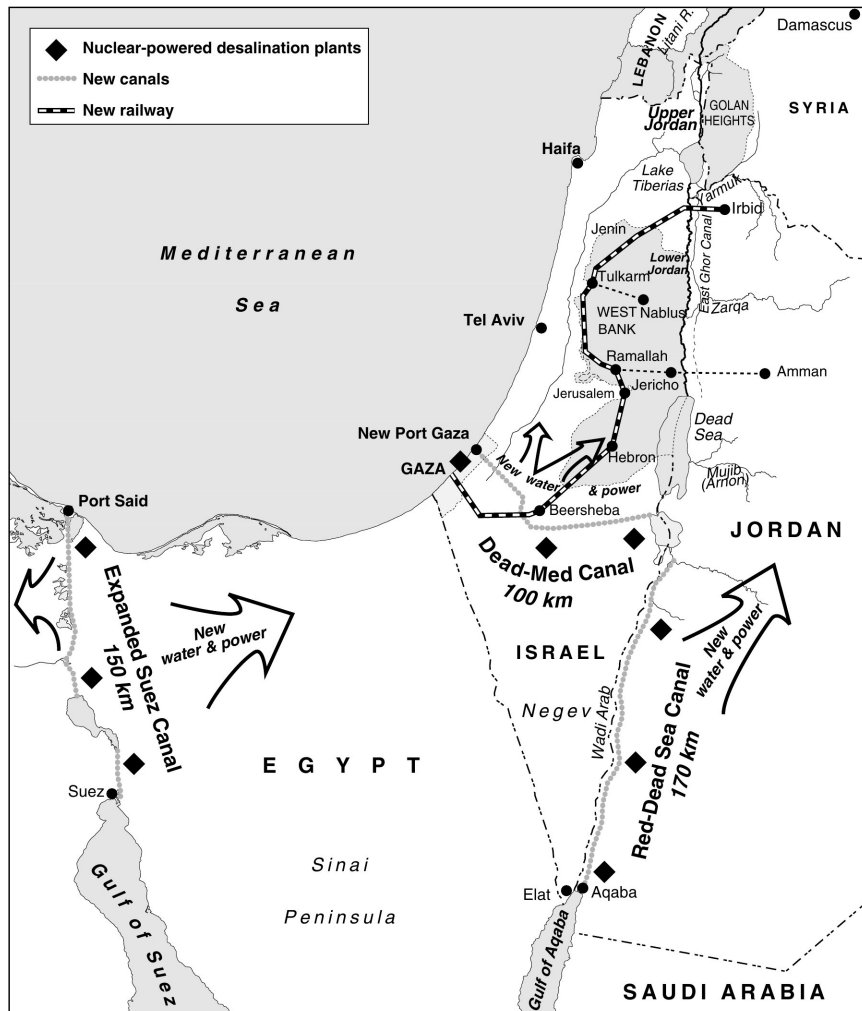
If you want to solve the problem of the Middle East, you've got to kick out the British and the Dutch and some Americans, and then you could do it. No problem.

With the water problem, for example. The water problem was understood long before there was a significant Jewish settlement in the Middle East. It's intrinsic to the area. You can not have significant habitation in this area without water! The idea that you shouldn't have nuclear power operating in the region for the water problem alone, is insane.

So therefore, you have to go to the region, and you have to say, what is to the "benefit of the other," of the Westphalian principle. And by taking a firm position, and not compromising on that—don't compromise the benefit of the other! Don't give somebody something to do damage to others! Don't do it! Say, we'll help you. We will do it for your benefit. Period. Cost is not the problem. But you've got to accept the benefit, and you've got to accept the other guy getting a benefit, too.

There is no solution otherwise. The whole history of religious warfare and similar kinds of warfare—don't do it. Don't believe in it. It doesn't work. This whole thing reeks of a

## Features of the LaRouche 'Oasis Plan'



EIRNS

*The LaRouche "Oasis Plan" for Middle East development is based on the principle of the Peace of Westphalia, the "benefit of the other," and concentrates on providing fresh water through nuclear-powered desalination: "If you want to solve the problem of the Middle East, you've got to kick out the British and the Dutch and some Americans, and then you could do it."*

Hobbesian philosophy, and getting people to maintain a Hobbesian philosophy. If the Arabs and the Israelis don't come close to an agreement, somebody will step in and start a war, and start a fight. It happens repeatedly.

### The Crisis Comes From Outside the Region

So, the idea of compromise is not the problem. The problem does not lie with the Arab or the Israeli. That's not where the problem lies. The problem lies in those who are brokering the conflict, who want the conflict.

Look, I was in Iraq in April of 1975. And was meeting with some people all over the Arab world, in particular. And



they said, "What's your opinion?" And I said, "Well, what's going on, is that you're going to have Henry Kissinger in a very short period of time, and he's going to start a civil war in Lebanon. And the whole Middle East is going to be blown up, because Henry Kissinger has got a deal to blow up the Middle East, by starting a civil war in Lebanon." So while I was there, the civil war broke out, as I had warned it would happen. And suddenly, all of these Arabs are coming to me and saying, "C'mon, let's meet, let's meet." So we went up to a pumping station, and we talked about it. Nothing good came out of it, except solid interest, but that's the way it works.

Outside operations—in this case, from the United States and Britain, chiefly, with some French complications—started this war! Which had been going on since 1975, that particular war. And if you don't go at the people who did that, and get them out of there, you won't get an agreement. I mean, Primakov means well, but I know the that Westphalian solution is the only one. And they'll say, "Yeah, but that won't work. They won't accept it. Therefore you've got to compromise." And I say, "Don't waste your time." Let 'em kill each other. Because, don't fool anybody. No compromise will work. It has to be Westphalia, or it won't work. And you have to learn that.

Sometimes, you have to go by principle, just like you have to do countries today. You know, you've got whole countries, including the United States, which might *disappear*, disintegrate, within a matter of months from now. That's the reality of the world around us. And if we don't go to real solutions, which sometimes appear to be the "hard" solutions, and fight for them, we're going to find that by buying something cheap—you know, go out and buy a dress that melts when the rain comes?—you find that you're worse off than if you'd never bought it.

## Causes of the Bloodbath

**Tennenbaum:** We have an analysis by Prof. Seyyed Mohammed Selim, professor of political science at Cairo University and a great expert in the region. His contribution is entitled, "The Root Causes of the Bloodbath in the Middle East. Is There a Way Out?" He also advocates the convocation of a multilateral Middle East conference to reach an agreement on the various issues in the region.

We also have a contribution from Gen. Mirza Aslam Beg, former chief of staff of the Pakistani Army, and well-known strategic thinker in Pakistan on the situation in Southwest Asia.

We also have a message from Dr. Mahmood Khallaf, who is a retired general at the Nasser Military Academy in Egypt, who also mentions that the United States is losing the minds and hearts of the Arabs in the Islamic world, and asks what is going to happen with United States interests if the policy is not changed, and also advocates a new Madrid-type of conference for the region.

We have a question coming from Réseau Voltaire in France. I would like to ask Jacques Cheminade to pose the question, and then for Mr. LaRouche to comment.

## Who's Doing What To Whom in Lebanon?

**Jacques Cheminade:** It's from a group of strategic reflection connected to the Réseau Voltaire, so it's more than Réseau Voltaire itself. Réseau Voltaire is a French and international network, which organized in January, the Axis for Peace conference, and is now number-two among all French Internet websites dealing with international policies.

The question is the following: "What do you think, Mr. LaRouche, about the role of the financial system in the unleashing of the Lebanese war, or the war against Lebanon, and about the reason why Saudi Arabia, followed by Egypt and Jordan, decided to give public support to the American-Israeli operation in Lebanon. What is the specific role of the Hariri family of Lebanon, suspected of being connected to the big Israeli-American banks?"

**LaRouche:** Well, the Hariri family was very close to the Saudi family, so that the two things are very closely connected that way. I think that's the relevant feature there.

The problem here is, we have a highly degenerated situation, which is a byproduct of the playing with the Shi'a against Sunni, and other tendencies in the region. So, you have a degenerated situation, in which to expect the forces in the region to come to agreement. And Lebanon is a very special case, where you've got internal agreement to a large degree among Lebanese, for special reasons, which are obvious. It's a special country, with special characteristics.

But in the region in general, there is a degeneration.

Now, also, in the degeneration, the U.S. is a big factor here. Certain U.S. interests, like the Bush family, for example, is very tied to the bin Laden family, that sort of thing. Osama bin Laden was actually a George H.W. Bush protégé, at one point! And they technically split ways. I'm not sure how far the split went. But it's that kind of situation.

So, you've got the degenerated situation, which has been precipitated in this new form, by the prolongation of the Iraq War. And so, I think, trying to find a way of manipulating the pieces, or looking at the possible manipulation of the pieces in the region, is not a solution. I think the solution has to come from a higher level. The Middle East is not, in a sense, a viable region right now. And if you had the attack on Iran, it would make the whole region—

Look at Turkey. We now have the inevitable from this tripartite division of Iraq: that you now have the Kurdish question is threatening to explode on us, which means you have the whole Transcaucasia area, as well as Iran and so forth—you attack Iran, and there's nothing left to the whole region! Except one spreading hellhole!

So, the problem now is not trying to work from the bottom up and fix the pieces. You either have a global solution, or you have no damn solution whatsoever. That's reality. The



Official site of Andrés Manuel López Obrador

*Mexico's Presidential candidate Andrés Manuel López Obrador is confronting the same forces which were imposed on Mexico by the combined British-French-Dutch-Spanish fleet: "To stick a Maximilian on the throne of Mexico, while you have a Benito Juárez in the form of López Obrador, associated with the people—this is an explosive situation for the entire hemisphere of the Americas. . . . And the hemisphere's ready to blow."*

time when regional solutions were possible, *is gone*. Now, you have only global solutions, or you have *no solution*. That's the problem that people have with this. They're all trying to find out, "Well, we can't deal with the big problem. Can't we deal with the little problem?" But there are no little problems. The little problems are all—you know, the mice are being trampled by the elephants, and agreements among the mice are not going to solve the problem.

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### 3. Central and South America

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**Freeman:** I want to ask Lyn a question that just came in, from the [LaRouche Youth Movement] encampment in Mexico City. Lyn, the question is this:

"In Mexico, López Obrador proposes a revolution of conscience. How can one help that proposal? What can we do? You know the situation in Mexico. How could Mexico make an economic change, and restructure the institutions in the sense that he is saying, if the global situation doesn't change? In fact, can it? Back in June, you said that Mexico per se could not generate credit. Could you please develop that idea for us a little more, so that we know how to proceed?"

**LaRouche:** Part of the answer to this thing is often in what appear to be negatives. Look, the so-called Hispanic-origin minority in the United States is the largest single minority group in the United States, designated as such. It's a mixture of people who have been in the United States for two or three generations, down to people who are illegal immigrants today. This is mixed with people from other parts of South

and Central America, of course, but it's the northern Mexico tier which is most heavily represented. Now, if there is not development in Mexico, and if the United States is going through an economic crisis, which would be a social crisis, then the conditions of people on both sides of the border is such that you have an internal security risk within each nation, and across the borders. Absolutely uncontrollable risk.

So anybody who is not going to do something about this, should be sent to prison, where they'll have time to think about it, eh? Because we can not tolerate this.

Now, what's happened—López Obrador has already said, and it's valid, because I recognized the thing immediately, even before he said it. We just happened to collide in saying the same thing. What you have in Mexico today is a replication of the occupation of Mexico by the Emperor Maximilian. That is, the same kind of forces, the same forces which were imposed on Mexico by the combined British, French, Dutch, and Spanish fleet, and with the Austrian pig stuck on the throne, that this is what

is happening now with the case of Calderón. To stick a Maximilian on the throne of Mexico, while you have a Benito Juárez in the form of López Obrador, associated with the people. *This is an explosive situation for the entire hemisphere of the Americas*. And anybody who wants to force the Calderón dictatorship, which is what it's supposed to be—whether that's Calderón's intention or not, I don't know. You want to force that on Mexico? You're going to blow up the hemisphere! And the hemisphere's ready to blow!

### Impeach Bush and Cheney Now!

The key thing is, we've got to look at the fact of the matter. What can we do about this? Well, I say we have to get both Cheney and Bush out now. The grounds for doing so—look, Bush is clinically insane. He manifests that, it's an open secret. It's not even an open secret any more, it's a sewer, it's an open sewer. Cheney is a sociopath, who's committed crimes. Why not just impeach the pair of 'em, and get rid of 'em. Send them back to Crawfish Ranch or something.

We have to do it! You see, the times have come when you can not bargain and solve a problem within the terms that are given. You sometimes have to step outside the definition of the problem, and change the problem, rather than trying to solve the problem. In this case, if we can't solve the problem, then we're not willing to solve the problem, we can't mobilize it, we may have an absolutely hopeless situation! Civilizations have gone to Hell before, and this one can go to Hell too. We're on the edge of it. We're on the edge of it, if we don't do something about it. We've got to get Bush and Cheney out of there now! They should be impeached immediately. And any Democrat or Republican who won't do that, is an idiot.